



10 February, 2010

MS. JANET A. ENCARNACION
Head, Disclosure Department
THE PHILIPPINE STOCK EXCHANGE, INC.
4/F PSE Centre
Exchange Road, Ortigas Centre
Pasig City

Dear Ms. Encarnacion:

Please be advised that the following information would be made available to the major newspapers. It concerns RCBC's 2009 Net Income.

Thank you.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Elbert M. Zosa".

ELBERT M. ZOSA
Executive Vice President and
Corporate Information Officer



RCBC CONTINUES ROBUST GROWTH IN 2009

RCBC recorded strong performance in 2009 with significant improvements in financial results and operations. RCBC, the country's 4th largest private universal bank in terms of Assets, Capital and Deposits showed growth in Assets of P31 billion to P289 billion and Deposits of P25 billion to P221 billion.

Unaudited Net Income grew to P3.31 billion in 2009 from P2.15 billion in 2008. Operating Income expanded by 24% to P16.2 billion. Net Interest Income increased by 21% or P1.8 billion to P10.2 billion as reflected by growth in the bank's core loan business and an improvement in Net Interest Margin. Non-Interest Income growth of 29% was mainly supported by Trading gains. Service Fees, Commissions and Other Income, which totaled P3.0 billion, contributed 51% to total Non-Interest Income. Efficient operating cost management resulted to an improvement in the bank's Cost to Income ratio from 69% to 60%.

Balance Sheet growth was mainly supported by Deposits, which as of end-Dec 2009 was 12.5% higher than Dec 2008's P196 Billion. Deposits growth was mainly driven by growth in low cost deposits 20%. On September 30, 2009 the bank became the first local bank to issue US\$85 million Denominated Negotiable Certificates of Deposit.

The Bank further bolstered its capitalization as it raised P4.0 Billion 5-yr. Lower Tier 2 Unsecured Subordinated Notes last May 15, 2009. This contributed to Capital Adequacy Ratio of 18.47% as of December 2009, well above the BSP minimum requirement of 10%.

The bank's growth is reflected in the growth of its customer base, which now stands at 2.11 million. Likewise, RCBC continued to expand its customer reach via traditional bricks and mortar and electronic channels. As of end December 2009, the bank's branch network reached 338 from end-2008's 324. This includes the continuing integration of JP Laurel bank branches into the RCBC network. JP Laurel Bank was acquired last February 2009 to complement its acquisition of Merchants Bank as it further strengthens its position in the microfinance business. The bank now has 471 ATMs compared to 380 last year.

Significant improvements were also made in electronic banking to expand customer reach with internet and mobile banking.

2009 also marked the launching of the MyWallet MRT Card, a reloadable ATM facility that allows cardholders fast and easy access to the MRT, the first of its kind in the Philippine banking industry.